

Principles for Businesses

Chapter 1

Introduction

1.2 Clients and the Principles

Characteristics of the client

- 1.2.1 **G** *Principles 6 (Customers' interests), 7 (Communications with clients), 8 (Conflicts of interest), 9 (Customers: relationships of trust), 10 (Clients' assets) and 12 (Consumer Duty) impose requirements on firms expressly in relation to their clients or customers. These requirements depend, in part, on the characteristics of the client or customer concerned. This is because what is "due regard" (in Principles 6 and 7), "fairly" (in Principles 6 and 8), "clear, fair and not misleading" (in Principle 7), "reasonable care" (in Principle 9), "adequate" (in Principle 10) or "good outcomes" (in Principle 12) will, of course, depend on those characteristics.*

Approach to client categorisation

- 1.2.2 **G** [deleted]
- 1.2.3 **G** [deleted]
- 1.2.4 **G** [deleted]
- 1.2.5 **G** [deleted]

Acting through an agent

- 1.2.6 **G** If the *person* with or for whom the *firm* is carrying on an activity is acting through an agent, the ability of the *firm* to treat the agent as its *client* under ■ COBS 2.4.3 R (Agent as client) will not be available. For example, if a *general insurer* is effecting a *general insurance contract* through a general insurance broker who is acting as agent for a disclosed *policyholder*, the *policyholder* will be a *client* of the *firm* and the *firm* must comply with the *Principles* accordingly.